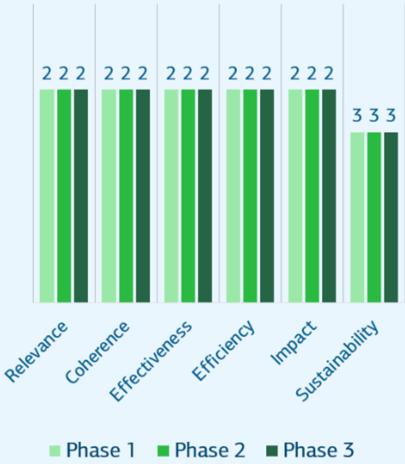
Ex-post evaluation

Programme to support decentralisation and good governance – LODA I-III, Rwanda

Title	Programme to support decentralisation and good governance – LODA I-III
Sector and CRS code	Decentralisation 15112
BMZ number	2017 67 052, 2019 69 229, 2019 69 534
Commissioned by	BMZ
Recipient and executing agency	Local Administration Entities Development Agency (LODA)
FC financing volume and instrument	EUR 30 million grant
Project duration	2018-2022 **Reporting year** 2025 **Sample year** 2025

Overall rating

successful



1: very successful – **6:** completely unsuccessful

Project objectives and implementation

The objective at outcome level was to improve the provision, utilisation and maintenance of public infrastructure at the district level and to involve the population more closely in planning and decision-making processes. At impact level, the aim was to improve service delivery at district level in order to improve the living conditions of the Rwandan population. The Local Administrative Entities Development Agency (LODA) supported Rwanda's 30 district administrations in planning, implementing and monitoring a total of 170 individual local projects. These small infrastructure projects were derived from district development plans, which were developed and prioritised by the population in a participatory and needs-oriented manner.

Key findings

Overall, we appraise the three evaluated phases of the FC series project as successful for the following reasons:

- In the context of decentralisation, improved service delivery and increased citizen participation have proven to be complementary and mutually reinforcing. The co-financing of the locally established financing mechanism and cooperation with other donors have also proven effective in supporting local structures (**relevance, coherence**).
- The infrastructure at district level co-financed by FC funds (e.g. roads, electrification and markets) has created new employment opportunities and stimulated economic activity. This has set in motion a positive cycle that has led to better living conditions for beneficiaries and increased revenue for the districts (**effectiveness, impact**).
- The Umuganda community initiative, which focuses on community maintenance of infrastructure, demonstrates ownership and enables improved **sustainability**. However, it is not permanently secured due to limited budgets for maintenance and repair.

Conclusions

- Small infrastructure projects at local level can have a major impact if they are selected on the basis of local needs.
- In addition to the construction work, the operational and personnel requirements should also be included in the planning at an early stage.
- Community maintenance of public infrastructure, organised through a national programme, strengthens ownership and thus sustainability.
- A sensible decentralisation strategy should be co-financed with other donors (leverage effect).

Contents

List of abbreviations

AFD	French Development Agency
PCR	Final inspection
GDP	Gross domestic product
BMZ	Federal Ministry for Economic Cooperation and Development
DAC	Development Assistance Committee
DDP	District Development Plan
EPE	Ex-post evaluation
EUR	Euro
FC	Financial cooperation
FDS	Fiscal Decentralisation Strategy
FGD	Focus Group Discussion
FC E	FC Evaluation
GIS	Geographic Information System
GoR	Government of Rwanda
HDI	Human Development Index
JADF	Joint Action Development Forum
LODA	Local Administrative Entities Development Agency
MEIS	Monitoring and Evaluation Information System
MINALOC	Ministry of Local Government
MINECOFIN	Ministry of Finance and Economic Planning
NDP	National Decentralisation Policy
NL	Netherlands
NST	National Strategy for Transformation
PA	Project appraisal
PAR	Project appraisal report
PV	Project proposal
RLDSF	Rwanda Local Development Support Fund
ROM	Results Oriented Monitoring
RUDP	Rwanda Urban Development Project
SDG	Sustainable Development Goals
SWG	Sector Working Groups
TC	Technical Cooperation
USD	US dollar
WSS	Water Supply System

Overview

General conditions and classification of the project

Rwanda is governed on two levels: central and local administration. The country is divided into four provinces and the city of Kigali, which are further divided into a total of 30 districts. The districts are further divided into 416 sectors, 2,148 cells ([1]) and 14,847 villages. These structures were introduced after the 2005 reform, following the decision to pursue a policy of decentralisation in 2001.

The Rwandan government continues to promote citizen-centred governance through its national decentralisation policy. The objectives are to improve the delivery of public services, increase revenue at district level, increase public participation in planning, involve local authorities in monitoring and strengthen accountability at local and national level. To achieve this, citizens are encouraged to participate through various established forums such as community meetings, suggestion boxes and social media. In 2019, the government intensified its efforts to increase citizen participation and accountability by ensuring that local leaders publicly explain how citizens' priorities are being taken into account and implemented[2] .

The nine phases of the FC programme to strengthen decentralisation and good governance to date have supported Rwanda's decentralisation policy through the Local Administrative Entities Development Agency (LODA, formerly RLDSF - Rwanda Local Development Support Fund), which assisted Rwanda's 30 districts in planning, implementing and monitoring local infrastructure projects. LODA managed the Rwandan government's funds and the funds of several donors for local development. The programme complemented the partner's own efforts for decentralisation. For more than ten years, LODA funds were channelled to the districts as grants amounting to 10% of annual central revenue, using a national distribution key that considered the population, poverty rate and area of the respective districts. These funds were used to finance individual infrastructure measures in the sectors that had already been decentralised (agriculture, decentralisation, education, energy, environment and natural resources, health, private sector promotion, sport and culture, transport, and water and sanitation). The FC programme made use of the partner's existing system by also channelling FC funds through LODA.

The FC projects were integrated with the TC measures into a development cooperation programme to promote decentralisation and good governance. This aimed to improve the provision of public services and infrastructure to the local population in the districts through decentralisation, efficient public finance and participation in planning and decision-making processes (development cooperation programme objective at impact level). The revised development cooperation programme was adopted in June 2022 and the new objective is: "Effective and accountable governance at all levels of government provides public services of the required scope and quality and enables empowered citizens to demand and access them." Phases 7-9 of the FC project/programme evaluated here were integrated into the joint development cooperation programme and its updated version and contributed to the achievement of its objectives. The first six phases ran under the name "Support for Decentralisation and Good Governance – RLSDF 1-6". With the renaming of the implementing organisation, the programme was continued from phase 7 onwards as " Programme to Support Decentralisation and Good Governance – LODA I-III".

Brief description

The objectives of the three phases of the FC project evaluated here were to improve the provision, utilisation and maintenance of public infrastructure at district level and to involve the population more closely in planning and decision-making processes (outcome level). At the impact level, the programme aimed to improve service delivery at district level to improve the living conditions of the Rwandan population.

The individual infrastructure projects were derived from the District Development Plans (DDPs) drawn up with the involvement of the population and their elected representatives. In line with this project concept, the focus was on small projects that contributed to the sustainability of economic development and socio-economic development in rural areas, mainly in the transport, energy, agriculture, water and sanitation, health and education sectors.

In addition to these investments in local infrastructure projects, the FC contribution also financed consulting services to strengthen the administrative capacities of the districts and LODA. The target group was the entire population of Rwanda (approx. 13 million people) in all 30 districts. The FC contribution for the three phases evaluated amounted to EUR 30 million. Due to the identical

[1] The Rwandan government uses the following administrative levels: "Village", several villages form a "Cell", several cells form a "Sector" and several sectors form a district.
[2] Governance and Decentralisation Sector Strategic Plan (2018/19-2023/24, Ministry of Local Government MINALOC)

concept with the same implementation structure, the three phases were evaluated together. Some small projects were co-financed from different BMZ numbers, which is why the effects of the individual phases cannot be clearly distinguished from one another.

The three FC programmes were coordinated with the decentralisation measures of the TC in three areas: (i) fiscal decentralisation, (ii) capacity development in the districts, and (iii) political participation, accountability and cooperation with civil society. The recipient of the FC grant was the Republic of Rwanda, represented by the Ministry of Finance and Economic Planning (MINECOFIN).

Breakdown of total costs

The total costs at the time of evaluation for the three phases of LODA 1-3 were estimated at EUR 144.5 million, of which approximately EUR 110.1 million was financed from own contributions, EUR 4.4 million from contributions from Dutch cooperation and EUR 30 million from FC funds (Phase I EUR 12 million, EUR 4 million for phase II and EUR 14 million for phase III). The total costs of the individual phases were based on the available funding volume, which consisted of government allocations and donor funds. Since LODA's financial planning was based on the financial years in Rwanda (1 July to 30 June) and the individual BMZ numbers were sometimes allocated to several financial years – or funds from different BMZ numbers were used in one financial year – it was not possible to distinguish between the distinct BMZ numbers. Therefore, a summary based on the respective FC overviews (LOGAS) is provided below.

	Plan	Actual
Investment costs (total) in EUR million	Not predefined *	144.5
Own contribution in EUR million	Amount not predefined, taken from allocations to districts (10% of central annual income from the previous year)	110.1
External funding in EUR million	32.0	34.4**
of which BMZ funds in EUR million	30.0	30.0

Table 1*: Breakdown of costs.*
Notes*:*
**The districts' own contributions were not predefined in terms of amount but were taken from the allocations to the districts (10% of the previous year's central annual revenue). Due to the unpredictability of the districts' respective own contributions per year, the module proposals for the three phases did not contain any predefined planned costs. For details of the individual contributions, see the section on efficiency.*
***EUR 2 million was originally planned as the Dutch contribution, and EUR 4.4 million was financed eventually*

Map of the project region

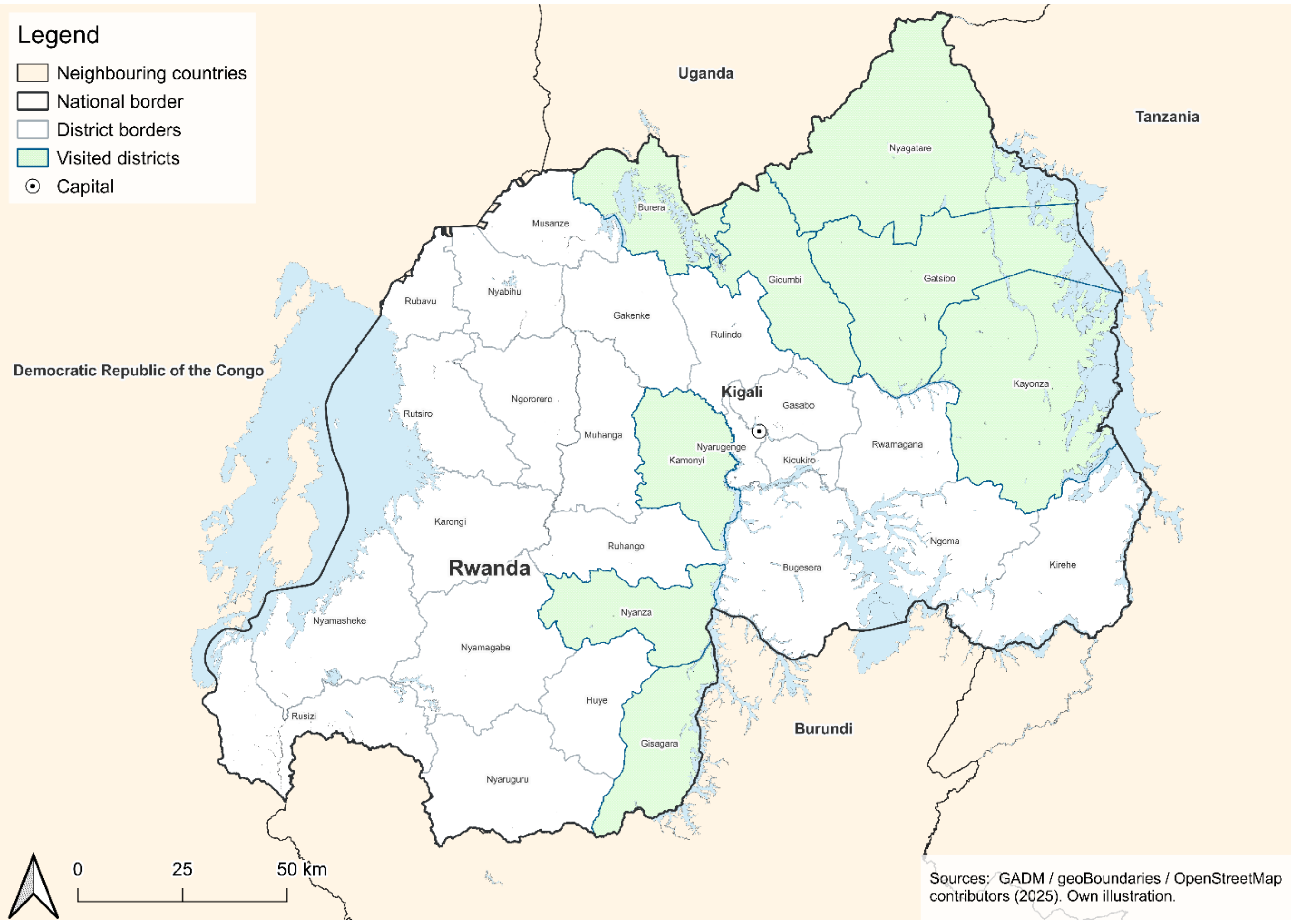


Figure 1: *Map of the project country Rwanda with the project districts visited.*
Source: *Own illustration.*

Project-specific strengths and weaknesses

The strengths include in particular:

- Co-financing a local financing mechanism proved useful in these three phases, strengthening the ownership of those responsible at local level.
- The productive cooperation of the implementing agency, the Local Administrative Entities Development Agency (LODA), was particularly noteworthy.
- There was a high level of ownership among the project executing agency, the districts and the target group.

The weaknesses include in particular:

- The concept was heavily focused on construction and technology, and systemic bottlenecks (such as inadequate equipment, staff shortages and a lack of operating resources) were not sufficiently accounted for during planning.
- Due to varying degrees of decentralisation, which led to overlapping responsibilities between the relevant ministries (health, education, water, transport, agriculture) and the districts, there were some ambiguities regarding responsibilities for operation and maintenance in sites visited.
- Although maintenance is rarely carried out in accordance with the operation and maintenance manuals, the site visits showed that at least routine maintenance is carried out in most cases. However, due to tight budgets, the districts have to prioritise maintenance measures according to urgency.

General conclusions/lessons learned

- Small infrastructure projects can have a big impact at the local level when they are selected based on needs.
- In addition to the construction work, the operational and personnel requirements should also be included in the planning at an early stage.
- A sensible decentralisation strategy is well suited to co-financing. In this way, local potential can also be effectively supported in cooperation with other donors. Leveraging Germany's commitment in joint donor financing has generated positive synergies.
- Social cohesion (as clearly demonstrated here by the example of Umugunda neighbourhood assistance) can make an important contribution to sustainability despite limited resources.

Assessment according to OECD DAC criteria

Relevance

1. Alignment with policies and priorities

Rwanda's National Strategy for Transformation (NST) served as a central steering instrument based on the SDG Agenda 2030. NST-1 (2018–2024)[3] focused on economic development, social security and good governance. In NST-2 (2024–2029)[4] , various advances were made during the NST-1 phase in strengthening governance and public administration demonstrating that improving local administrative structures and accountability mechanisms remain priorities for the Rwandan government. In addition, approaches to promoting citizen participation were developed further. These measures should help to make administrative processes more efficient and improve the delivery of public services. The Fiscal Decentralisation Strategy (FDS) aims to manage local finances more efficiently and improve accountability. The 2021 National Decentralisation Policy (NDP) identifies the promotion of the quality of service delivery by decentralised institutions and greater citizen participation as important objectives. The NDP strengthens local governments through improved resource mobilisation, sectoral decentralisation and the expansion of public services. The sector strategy plan for decentralisation and good governance focused on citizen participation, transparency and an effective administrative structure. The programme was thus in line with the policies and priorities of the Rwandan government.

The programme is also in line with the BMZ's sectoral guidelines, which are set out in the core thematic strategy "Peace and Social Cohesion" and the priorities of the country strategy for bilateral development cooperation in Rwanda in the action area "Good Governance". The BMZ's priorities in Rwanda, which are education and sustainability for good jobs, responsibility for our planet – climate and energy, and peace and social cohesion, were also taken into account through the diversity of the small projects covering different sectors. The programme was particularly relevant to the BMZ's focus on "poverty reduction and reduction of inequality".

The analysis shows that the FC programme fits in well with the development strategies of Rwanda and Germany. Particularly with regard to the objectives of the Rwandan partner, the programme is in line with strategies, priorities and approaches and takes into account the relevant political and institutional framework conditions (NDP, 2000 and 2012, Strategic Framework for Decentralisation in Rwanda 2007, Strategy for Economic Development and Poverty Reduction 2013–2018, Vision 2020 (2000), Vision 2050 (2015)). In Vision 2050, Rwanda is pursuing the goal of transforming itself into a highly developed economy.

2. Alignment with the needs and capacities of stakeholders and beneficiaries

LODA is responsible for implementing transfers from the Government of Rwanda (GoR) and donor funds. The small infrastructure projects are part of the district development plans (DDPs), which are drawn up in close cooperation with the population and their elected representatives. The FC programme aimed to meet the needs of the local population nationwide in all 30 districts. In line with this concept, the focus was on small local infrastructure projects that would contribute to the sustainability of economic development and socio-economic development in rural areas. As the target group was the entire population of Rwanda, all disadvantaged groups were expected to benefit from the FC programme, and their priorities were incorporated into the districts' strategic plans. In addition to investments in local infrastructure projects, the FC contribution also financed consulting services to strengthen the administrative capacities of the districts and LODA.

The process of drawing up district development plans begins each year in September with a circular from the Ministry of Finance and Economic Planning (MINECOFIN) to the districts. Following the preceding steps, consultations with citizens are held at village level in the districts. The subject of these consultations is the infrastructure priorities to be included in the districts' budgets for the coming financial year. During the consultations, the concerns are prioritised from the lowest administrative level upwards and then finalised. At each level, from the cell level to the district level, the locally elected representatives make the final decision on the prioritisation of the individual proposals. The districts concerned then convert these into small projects that are earmarked for the district's budget. In June of the following year, MINECOFIN informs the district via LODA which of the projects will be financed, taking into account the available budget. From June onwards, citizens are informed by the district about the local infrastructure projects that will be financed. Communication takes place at cell level on a weekly basis in public meetings, as well as via radio broadcasts and press conferences. The process described ensures that the local infrastructure projects are conceptually aligned with the needs of the target group. The final priorities are announced to the public for information and are included in the district administration's performance assessment.

[3] 7 Years Government Programme: National Strategy for Transformation (NST 1) 2017 – 2024, Republic of Rwanda
[4] 5 Years Government Programme, National Strategy for Transformation (NST 2) 2014 – 2029, Republic of Rwanda

Various challenges remain in the area of infrastructure provision. New priorities have been added, including empowering citizens to make effective use of opportunities for participation so that their voices are fully considered in public policy decisions. Non-earmarked funds and districts' own revenues are still insufficient to address locally determined priorities and to meet citizens' expectations. The private sector is not yet sufficiently developed to enable the expansion of the districts' own sources of revenue; for example, the lack of integrated market buildings reduces tax revenues. Structural deficits in institutional capacities, their organisation and insufficient funding continue to hamper efforts to achieve decentralisation goals.

Despite significant progress in social and economic development, Rwanda still faced major challenges during the programme review period (2017: phases 1 and 2, and 2019: phases 2 and 3): the provision of needs-based public services and infrastructure to the population in Rwanda's 30 predominantly rural districts remained inadequate (**core problem)**. The programme therefore focused on providing infrastructure, improving service delivery (see section on effectiveness and appendix for a list) and strengthening citizen participation. In addition, FC's advisory services focused on supporting the institutional capacities of the implementing agency LODA, which also benefited the districts.

An evaluation of the focus group discussions (FGD) confirms that the core problem underlying the measure – the population's inadequate access to basic services due to poor municipal infrastructure – was correctly identified. In all the districts surveyed (Gisagara, Nyanza, Kamonyi, Kayonza), limited access to schools, health centres and water points was identified as a key obstacle to development. In remote regions in particular, long distances led to low utilisation of public services and higher opportunity costs, especially for women and children. At the same time, it became apparent that the concept was heavily focused on construction and technology. Systemic bottlenecks – inadequate equipment, staff shortages and a lack of operating resources – were only given secondary consideration in the planning. In Gisagara and Kamonyi, for example, operational bottlenecks in new health centres were pointed out, which limited the intended effects.

Overall, it can be said that although the core problem was correctly identified, its structural depth with regard to the above-mentioned systemic bottlenecks was not fully grasped.

Vulnerable groups were only considered in some areas when designing the FC programme evaluated here. Certain types of infrastructure were particularly suitable for vulnerable groups, e.g. health centres with new maternity wards for women – the centres provide special wards for children so that they no longer had to be accommodated in the general ward. Similarly, drinking water supply projects generally have a disproportionately positive effect on children, who are at higher risk of disease, and on women, who previously had to fetch water from long distances.

The location selection for these three evaluated programme phases was based on local development plans that were validated in participatory processes in forums but were predominantly determined by administrative priorities. There was no systematic definition of "vulnerability" or weighting of specific needs groups. In some districts, women participated in the planning forums without their concerns being actively considered in the prioritisation process. Overall, the FC programme was needs-oriented at the local level but not *explicitly* designed to be inclusive. Its relevance for the population overall is high, but the targeted consideration of vulnerable groups is limited.

3. Appropriateness of design

The outcome target formulated during the project appraisal, 'Contribution to poverty reduction by improving the general living conditions of the target population in the districts', was deemed inappropriate, as both poverty reduction and the improvement of living conditions are effects that occur at the higher impact level. However, the original outcome sub-goal of "improving the effectiveness, efficiency and transparency of district administrative services" is more appropriate at the impact level.

Accordingly, the outcome objective adjusted for this evaluation is:

The provision, utilisation and maintenance of public infrastructure is improved at district level and the population is more involved in planning and decision-making processes.

Most of the original indicators have been retained, with the most important adjustments listed below:

The original outcome indicator "Number of citizen complaints published on the web-based CMS platform and adequately addressed by the district administration within two months of receipt of the complaint" was deleted because the citizen monitoring platform is not being used in the intended form. A module for tracking citizen complaints has been integrated into the Monitoring and Evaluation Information System (MEIS). The basic integration has been completed; however, the consolidated data on complaints is not available to the agency. This is mainly because complaints are handled directly by district administrations and utility companies, apart from the more than 100 electronic services offered by the Rwandan government as part of the Irembo programme[5] . Due to this fragmented landscape of citizen complaint management and the resulting lack of a consolidated overview, the complaint management indicator had to be removed.

At the impact level, the programme's original objective was:

"The provision of public services and infrastructure has improved and the population in Rwanda's 30 districts is more involved in planning and decision-making processes." We do not appraise this objective as particularly impact oriented. In addition, the aspect of increased citizen participation was already included in the previous project at the outcome level, which is why it was retained at the outcome level in this ex-post evaluation (EPE). The revised impact objective in this EPE is now as follows:

Improved service delivery at district level to enable an improvement in the living conditions of the Rwandan population.

Two new indicators were added at the impact level:

- Reduced proportion of poor people in Rwanda's population (poverty rate at 2.15 USD, 2017 PPP)
- Increased GDP per capita (in constant 2015 USD).

The effects in the form of improved living conditions cannot be attributed solely to the evaluated FC programmes; they merely contributed to this. However, as the programme targeted the entire population of Rwanda, the poverty rate and per capita GDP are useful proxy indicators.

The original impact indicator 1) 'The proportion of the population that is satisfied with its opportunities to participate in decision-making processes at local level' was shifted to the outcome level in an adapted form.

Theory of change:

As part of Rwanda's decentralisation policy, the FC measure provides financial resources for local infrastructure projects and advisory services to strengthen the administrative capacities of LODA and district administrations (input). Projects are selected and planned in a participatory manner based on district development plans, consulting the population and their elected representatives. The output is needs-based, functional infrastructure and strengthened administrative structures at district level. This enables the districts to plan, implement and operate local infrastructure projects independently, efficiently and sustainably. Their use and maintenance improves the provision of services to the population (outcome). Citizens can participate more actively through the participatory processes. This significantly improves service provision at district level. In the long term, the programme contributes to ensuring the sustainability of service provision at district level and, through this, the living conditions of the rural population in Rwanda (impact). We consider this theory of change to be plausible.

4. Adaptability – response to change

The close integration of citizen participation in the prioritisation of local infrastructure projects made it possible to identify changing needs and adjust the budget allocated for this purpose on an annual basis. Through annual consultations with beneficiaries, the programme was able to respond flexibly to changing priorities and thus demonstrated a high degree of adaptability.

Rating summary of relevance: successful (2)

From current perspective, the core problems were correctly identified. By strengthening various important aspects – from participatory problem identification by citizens to prioritisation by the municipal administration to institutional support for the process by LODA – the measure was well designed to achieve the desired objectives. The relevance of the measure can be justified by the needs- and demand-oriented focus of the programme's financing.

The programme targeted all 30 districts of Rwanda, although the municipalities varied greatly in terms of their institutional and financial capacities. Relatively affluent urban municipalities such as the city of Kigali and its surroundings should therefore have been excluded so that the funds could be used in a more targeted manner in the rural and poorer districts with the greatest needs[6] . A narrower focus of this programme on districts with weaker service provision (e.g. outside Kigali) would have ensured even greater relevance. Overall, the relevance of the programme can be considered successful.

[5] The Irembo programme in Rwanda is a digital platform that aims to facilitate access to public services for citizens. "Irembo" means "gate" or "entrance" in the local language, Kinyarwanda.
[6] This is the case in the follow-up project

Coherence

5. Internal coherence

The FC programme under evaluation was part of the development cooperation programme 'Support for decentralisation as a contribution to good governance'. The various measures of German development cooperation complemented each other. TC worked in the areas of citizen participation in the planning process for district development plans, public financial management and fiscal decentralisation, while FC worked in the area of infrastructure at district level and on strengthening institutional capacities. In addition, FC promoted the implementation of the Public Financial Management Sector Strategic Plan, which aimed at improving the quality of public finance. At district level, measures to increase own-source revenue, an important component of fiscal decentralisation, were addressed within this framework. TC provided complementary support for fiscal decentralisation, local public financial management and local service delivery.

In 2021, German development cooperation with Rwanda was strategically realigned and has since focused on the core themes of "peace and social cohesion", "climate and energy, just transition" and "sustainable economic development" as well as "digitalisation and data". Based on this commitment, the development cooperation programme "Peace and Social Cohesion in Rwanda" was launched in 2022 for the core theme of the same name. The German programme in the field of action "Good Governance" focused on the three areas of good financial governance, local public services, and citizen participation and accountability. At the outset, the development cooperation programme comprised a total of nine FC projects with a total financial volume of EUR 127.51 million. This corresponded to five FC modules, all of which were already being implemented at the time of the programme evaluation. In addition, four TC projects/programmes were also in implementation. Since 2023, two further modules (one FC and one TC project/programme) and seven new commitments in 2024 (two FC and five TC project/programmes) with a total volume of EUR 88.3 million have been added.

This FC programme is closely aligned with the decentralisation measures of the TC in the three components: (i) fiscal decentralisation, (ii) capacity development in the districts, and (iii) political participation, accountability and cooperation with civil society. TC is working with the Ministry of Finance and Economic Planning (MINECOFIN) and the Ministry of Local Government (MINALOC) to increase the districts' own revenues, further develop earmarked transfers and strengthen capacities in the area of public financial management at the local level. TC's efforts to strengthen institutional and human resources capacities at district level also promote the successful planning and implementation of investment projects. Regular exchanges between representatives of TC and FC enable effective coordination of activities, thereby enhancing the impact of the joint programme.

6. External coherence

The measure was designed primarily to make use of existing structures. The activities co-financed by the FC contribution were planned in coordination with the national budget process, but were not paid directly into the national budget; instead, they were settled via a voucher-based disposition fund. The tendering and awarding of the local infrastructure projects took place in accordance with the national procedures.

The Sector Working Groups (SWGs) played a central role in the coordination at donor level and with the Rwandan government. These are technical forums in which the Rwandan government and development partners coordinated cross-sectoral priorities in line with strategic plans and development programmes. SWGs serve as a central platform for dialogue with ministries and relevant actors and enable a coordinated approach to sectoral challenges. Regular exchanges prevent overlaps and ensure that donor interventions complement existing government strategies. SWGs are jointly chaired by the chief secretary of the relevant ministry and a representative of the lead donor organisation. The SWG on good governance and decentralisation was particularly relevant to the FC programme. External coherence existed mainly with the World Bank's Rwanda Urban Development Project (RUDP), the French Agence Française de Développement (AFD) and the Belgian development agency Enabel, which also co-financed the LODA financing mechanism for districts. In this way, the donor community supports the partner government's own efforts to provide districts with better financial resources.

However, processing the disbursements via a cash management fund required the creation of special accounts, which represented a parallel structure to the existing systems. This was modified in later FC programmes for the reason of efficiency. For example, the follow-up programme 'Pro Poor Development Basket' (BMZ No. 2024 67 256) is a basket financing programme for inclusive, poverty-oriented infrastructure.

Rating summary of coherence: successful (2)

The clear division of tasks between FC and TC and the effective interaction were crucial for successful internal coherence. We also assess external coherence as successful, as the partner's own efforts were effectively supported through integration into national systems (integration into the budget process, national allocation formula and procurement procedures).

We see a minor point of criticism of the LODA programme in the choice of payment procedure (disposition fund) at the time, which represented a parallel structure to national systems. This was modified in later phases to basket financing. Overall, we appraise the coherence as successful.

Effectiveness

7. Achievement of objectives

The objective at outcome level was: **The provision, utilisation and maintenance of public infrastructure is improved at district level and the population is more involved in planning and decision-making processes.**

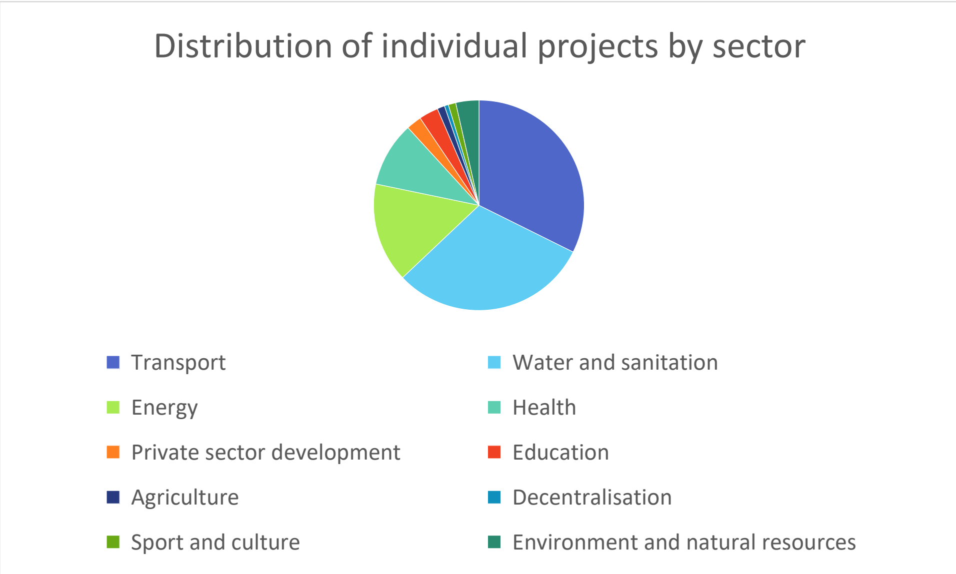


Figure 2: *Distribution of small infrastructure projects by sector.*
Source: *Own picture*

The 170 small projects (see Annex 3) financed in the three phases were assigned by the implementing agency to the following sectors: transport (55), water and sanitation (52), energy (26), health (17), environment and natural resources (6), education (5), private sector development (4), agriculture (2), sport and culture (2) and decentralisation (1).

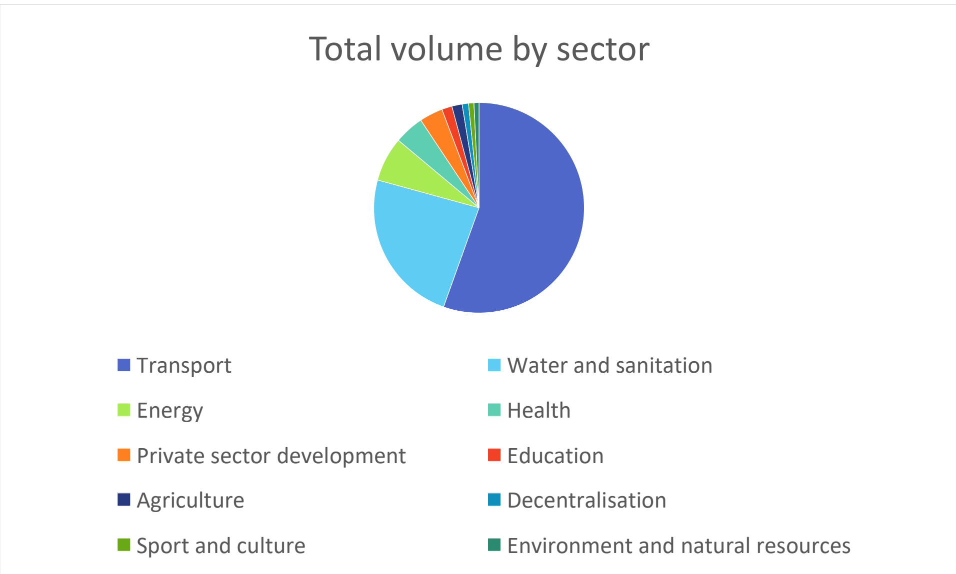


Figure 3: *Total volume by sector.*
Source: *Own picture*

In terms of total volume of financing, transport was the largest sector with 55%, followed by water and sanitation (24%), energy (7%), health (5%) and the rest (9%), which was distributed across the other sectors.

The following indicators were used to measure the outcome objective:

Indicator	Status at time of review	Target value at EPE (review)	Actual value at PCR	Actual value at EPE
(1) Three years after commissioning, the **utilisation** of the infrastructure financed by the project is at least 75%.	68 %	75 %	79 %	84[7] % Target value achieved
(2) Three years after commissioning, at least 75% of the infrastructure facilities financed by the project are being **operated** appropriately	-	75 %	85 %	86 Target value achieved
(3) **Preventive maintenance** in accordance with LODA O&M guidelines is carried out in at least 20% of project-financed infrastructure facilities	5 %	20 %		10 % Target value partially achieved
(4) The proportion of the population that is satisfied with its opportunities to participate in decision-making processes at local level.	64[8] %	90 %		88[9] % Target vlaue partially achieved

Table 2*: Outcome target achievment.*

The achievement of the indicators for the outcome target can be summarised as follows:

- With regard to indicator 1, it should be noted that all the locations examined had a functioning infrastructure that was used by the majority of beneficiaries. This, together with the analyses in the consultant's reports (Results Oriented Monitoring, ROM reports), suggests that the first indicator has been achieved.
- With regard to indicators 2 and 3, it should be noted that some districts had maintenance manuals for water supply systems (WSS). In Gicumbi, maintenance was carried out in accordance with the specifications and the cleaning schedule was adapted to specific requirements. This was done on the basis of regular random samples. In Burera, however, it was found that the maintenance schedule did not meet the required standards. Nevertheless, the WSS was in satisfactory condition.
- With regard to indicator 4: Platforms for citizen participation have been expanded and are now more inclusive, which contributes to empowering citizens: Citizen participation in forums has increased from an average of 65% in 2018 to 88% in 2024, clearly demonstrating that citizen participation has improved. The programme used established district mechanisms such as Joint Action Development Forums (JADFs) and community meetings to prioritise local projects. In the districts we visited during the mission – including Gatsibo, Gicumbi, Burera and Nyagatare – participants described how citizens were able to submit their proposals, but these were often already pre-structured by technical specifications from the district administration. Women and young people participated less actively, especially in rural sectors. Participation was thus formally guaranteed, but in fact limited by administrative dominance. The transparency of decision-making was appraised positively in Kayonza, while in Gicumbi the lack of feedback on proposals that were not implemented was criticised. Overall, the participatory nature of the process was assessed as existing, but limited in its effectiveness.

[7] Results Oriented Monitoring (ROM) Report 4, ROM 2
[8] Rwanda Governance Scorecard 5th Edition 2018
[9] Rwanda Governance Scorecard 11th Edition 2024

8. Contribution to the achievement of objectives

Citizen participation is a central element of district planning, as their priorities are continuously identified at the local level. First, each village sets six key priorities, which are combined at the cell level (several villages) into six cell priorities. The district itself uploads these priorities to the LODA system, where grassroots demand directly influences the development agenda. Further citizen contributions are collected via hotlines for specific topics. In this sense, the programme directly links the two objectives of citizen participation and infrastructure provision and is very effective.

In accordance with the community initiative "Umuganda" (*gathering for a common* purpose), all people in Rwanda are expected to participate once a month in the maintenance of communal infrastructure and the cleaning of public areas. This includes, for example, cleaning rainwater drains, maintaining roads and carrying out minor repairs. The infrastructure financed was often well maintained thanks to this practice of community maintenance, which demonstrates the population's sense of responsibility for the infrastructure. This external social factor contributes to increasing the effectiveness of the local infrastructure projects evaluated here.

The planned infrastructure – e.g. schools, health centres, water points, youth centres, roads – was completed to the planned extent in all eight districts under review. Occasionally, construction phases were delayed due to material shortages during the rainy season (e.g. in Nyanza). Adjustments were mainly of a technical nature. The output level is therefore considered to have been essentially achieved. Utilisation rates vary according to the type of infrastructure. Health centres are used extensively, especially by women and children; water points are used regularly, in some cases also by the population of neighbouring villages. Utilisation of youth centres remained low unless activities were organised by local partners. Roads are used intensively, but without systematic maintenance. In Gicumbi, for example, potholes were observed just one year after completion. The rate of wear and tear on the outputs created is generally demonstrably high.

In all eight districts, the time required to access public services was significantly reduced. Farming families in Gatsibo and Gicumbi reported that improved roads made it easier to market agricultural products. Health centres recorded higher patient numbers, indicating increased acceptance and accessibility.

Physical accessibility to local infrastructure has been improved, particularly through road and water investments. In Nyagatare, for example, several women reported that the time it took to walk to the water source had been halved. At the same time, barriers remain for people with disabilities, as many buildings do not have wheelchair access. Financial barriers, such as user fees at health centres, also have an exclusionary effect. Equal access has been strengthened but has not yet been fully achieved. Particularly remote settlements remain structurally disadvantaged.

The measure contributed to a noticeable improvement in the living conditions of the population. In all eight districts visited (Burera, Gatsibo, Gicumbi, Gisagara, Kayonza, Kamonyi, Nyagatare, Nyanza[10]), the time required to access public services was significantly reduced. Restrictions arise from a lack of follow-up funding for operation and maintenance. Vulnerable groups – especially women, older people and people with disabilities – benefited where infrastructure was built in the immediate vicinity of their homes. In Kayonza, for example, a newly built health centre made it easier for pregnant women to access obstetric care. In Nyagatare, lighting at water points was cited as a safety improvement. However, the lack of ramps and stairways without handrails continues to hinder access for people with limited mobility. The effects on vulnerable groups are therefore mixed: clearly positive in terms of proximity and safety, but limited in terms of inclusive design. Although the local projects addressed general physical access to public services, they only addressed specific barriers for women, older people and people with disabilities in isolated cases. In Nyagatare and Kayonza, for example, ramps and lighting at water points were highlighted as positive developments, while in Gicumbi and Kamonyi, the lack of barrier-free access and unsuitable sanitary facilities were cited as obstacles[11] .

Gender aspects were only considered in isolated cases. Separate sanitary facilities were introduced in some schools, and privacy was improved in health centres by providing separate rooms. In several districts, women said that shorter distances to water points reduced the burden on the household. There was no overarching gender concept, which meant that potential impacts remained untapped. Nevertheless, the examples show that physical proximity and improved lighting indirectly contributed to a reduction in gender-specific risks.

The technical quality of the construction work, coordination between the district administration and construction companies, and the rapid release of funds were central to the achievement of intended objectives. Delays in handing over to local operators and a lack of maintenance plans hampered success. In Nyagatare, for example, early exchanges between the district and user committees led to greater operational reliability, while in Gicumbi the absence of clear responsibilities led to functional gaps. Internal factors thus had a location-specific effect and explained the observed variations in effectiveness.

[10] Focus group discussions (FGD) were only conducted in the districts of Gisagara, Kamonyi, Kayonza and Nyanza.
[11] FGD results

9. Quality of implementation

In the final inspection in 2023, 80% of the small projects were appraised as good in terms of quality. Nearly 100% of the acceptance certificates confirm the tender and design criteria. The infrastructure-related administrative capacities of the districts were strengthened, and information management was improved as part of the FC programme. The quality of construction is considered satisfactory in the majority of districts. Road projects were found to have solid surfaces, but also inadequate drainage. Local leaks occurred at water points. Districts with continuous construction supervision (e.g. Kayonza) achieved better results than districts with external supervision (e.g. Gicumbi). Overall, implementation was efficient, but there were shortcomings in follow-up checks and documentation.

The citizen monitoring platform is not being implemented in the planned form. A module for tracking citizen complaints has been integrated into the MEIS. Although the implementing agency has a procedure for handling complaints, it was not possible to obtain an overview of the number of complaints, the response time and the processing time. At the same time, the Rwandan government's Irembo programme offers citizens more than 100 online citizen services. This means that there are several channels for complaint management, making it difficult to obtain a clear overview. In this case, the rapid (and unforeseen) pace of technological progress has overtaken the originally designed solution.

10. Unintended effects (positive or negative)

There were several unexpected positive side effects: improved roads led to increased market activity, for example, with informal street trading emerging along new connections in Kayonza. In Musanze, property values increased near the new infrastructure. The positive unintended effects offer opportunities for local economic development. No unintended negative effects are known.

Rating summary of effectiveness: successful (2)

All of the small projects visited as part of our random sample (21) were in good condition, utilized and considered valuable by the beneficiaries. Citizens were involved in the planning processes and citizen participation can be considered successful. In principle, the physical infrastructure is in place, but sometimes the appropriate institutional structures are lacking to make optimal use of the capacities created. Overall, we appraise the effectiveness of the programme as successful.

Efficiency

11. Production efficiency

The infrastructure projects co-financed by FC funds and coordinated by LODA are based on district development plans for all 30 districts of Rwanda, which were drawn up with the involvement of the population and their elected representatives. In line with the project concept, the focus was on small infrastructure projects that contributed to the sustainability of economic development and socio-economic development in rural areas.

The three phases were largely implemented within the originally planned implementation period (phase 1: November 2018 – March 2021, phase 2 from June 2020, phase 3: May 2020 – end of 2023). There were no significant delays compared to the planned 36-month implementation periods for the three phases, so that time efficiency was given.

The total cost of the 170 local infrastructure projects amounted to EUR 144.5 million. The Rwandan government's own contribution consisted of significant co-financing of infrastructure measures and, at an average of 79 %, was well above the 10 % standard requirement for such programmes. The FC contribution's share of financing for the co-financed local projects ranged from 3% to 100%, averaging 19% across all three phases. The remaining 2% of the total financing was provided by the Netherlands.

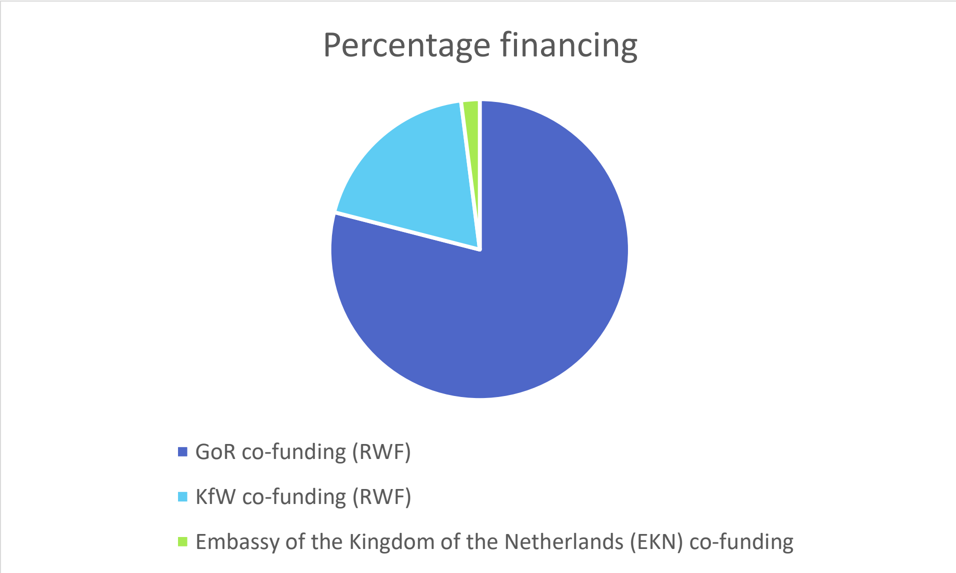


***Figure 4**: Financing of individual measures.*
***Source**: Own illustration*

The average costs for the local infrastructure projects are largely in line with the study on national unit prices in the road construction, water supply and building sectors, which was updated in April 2022, and are considered reasonable. The construction quality of the local projects visited is predominantly good. The tendering and awarding of construction contracts was carried out in accordance with local guidelines. There is no indication that the outputs could have been increased by using alternative inputs.

The work of the implementation consultant included support for planning and implementation through the creation of manuals, working aids and e-learning courses. The focus was on improving internal processes at the project executing agency and the technical planning and implementation of decentralised infrastructure. Consulting costs averaged 13% across the three phases, which is attributable, among other things, to inflation and the increase in consulting costs by around EUR 2.1 million, which was subsequently covered by the Netherlands. This is significantly higher than the originally planned consulting costs of around 6 % but is negligible when measured against the actual total costs of EUR 144.5 million.

The audit of the use of funds as part of the final inspection revealed that the funds had been used properly,
and the budget was largely adhered to. However, the total costs of these three FC programme phases are around EUR 0.5 million lower in the evaluation than in the final control, even though local projects were still being financed afterwards.

According to the operative department, this is due to the following reasons:

a) The final report from GOPA and LODA to KfW for the Final Control contained a large number of incorrect contract values, as the districts had incorrectly entered the information into LODA's MEIS. As LODA had received the incorrect contract values from the districts, the values in the Final Control were also incorrect – and could not be corrected in time.

b) The local infrastructure projects were financed from several financial years, during which there were significant currency fluctuations.

An audit of the three FC programmes is currently being carried out, and the results will be reported by the operative department.

The efficiency of the programme is confirmed by the indicators achieved. The implementation schedule was also efficient.

The insufficient human resources at LODA do not allow for regular cross-regional appraisals of infrastructure projects in all districts. Capacity bottlenecks at district level had a direct impact on the quality of the output achieved and can be further improved despite the overall positive result.

12. Allocation efficiency

The analysis of allocation efficiency examines the relationship between the resources used and the effects achieved. In addition to the impact at the material level, the programme's objectives at the structural level play an important role. In particular, it was crucial for improving administrative performance at the district level and increasing citizen participation that the FC funds were transferred to the districts and that the districts took over the planning and implementation of the local infrastructure projects with the support of LODA. The national allocation formula was used when allocating funds to the districts (see section 'Alignment with policies and priorities' in the section on relevance).

The selection of small projects to be financed was based on needs and on district development plans drawn up with the participation of the population. The allocation mechanism used and the use of the disposition fund procedure meant that the funds available for each local infrastructure project were comparatively small, which in some cases led to projects being divided into several phases and to increased co-financing rather than full financing. This was reconsidered in subsequent programmes from an efficiency perspective.

According to the respondents, comparable measures would have been implemented much later or to a lesser extent without external funding. We therefore consider the financial additionality to be high. With regard to overarching effects, leveraging German engagement in the sector working groups is an effective strategy for maximising benefits. According to interviewees, German development cooperation has a good reputation in the decentralisation/governance sector and has also been able to mobilise further donor support, which has led to an overall strengthening of the effects of FC.

Rating summary of efficiency: successful (2)

We assess production efficiency as successful based on the quality of construction and time efficiency. Allocation efficiency could have been improved by increasing full financing instead of co-financing individual projects. The distribution of funds based on the existing objective allocation formula can be viewed positively, particularly due to the lower administrative costs and the avoidance of potential conflicts. The leverage effect of Germany's involvement in joint donor financing has generated positive synergies. Overall, we appraise the criterion efficiency as successful.

Impact

13. Overarching developmental changes

At the impact level, the adjusted objective is:

Improved service delivery at district level to enable an improvement in the living conditions of the Rwandan population.

The following indicators were used to measure the impact objective were specified.

Indicator	Status at time of review	Target value at EPE (review)	Actual value at PCR	Actual value at EPE
(1) Reduction in poverty rate	39.8 % (2017)	No specific target		27.4 % (2024)[12] Target value achieved
(2) Increase in per capita GDP)	771 (2017	No specific target		1,070 USD[13] Increase of 38% Target value achieved
(3) Percentage of the population satisfied with the quality of public services at the local level.	70.9 % (2020)	90 %	78.8 % (2022)	85% (2023)[14] Target value partially achieved
(4) Proportion of expenditure that the districts can decide how to use themselves (non-earmarked funds)	34 %	80 %		42 %[15] Target value not achieved
(5) Proportion of recommendations from internal and external audits that are fully implemented.	64 % (2017)	80 %		73 %[16] Target value partially achieved

***Table 3**: Impact target achievement.*

[12] Poverty and social protection | National Institute of Statistics of Rwanda
[13] Rwanda GDP per capita (constant 2015 USD) - Rwanda | Data
[14] Citizen Report Card CRC 2024. Rwanda Governance Board
[15] Rwanda Governance Scorecard 11th edition 2024
[16] Rwanda Governance Scorecard 11th edition 2024

Indicators 1 and 2: The effects in the form of improved living conditions cannot be attributed solely to the programme. However, as the programme targeted the entire population of Rwanda, the poverty rate and per capita GDP are useful proxy indicators and show a positive effect. Per capita GDP growth in Rwanda is robust and better than in comparable countries.

Indicator 3: The Rwandan government collects data every year to measure citizen satisfaction (Rwanda Governance Scorecard, RGS). The results show that citizen satisfaction with public services rose by 15 percentage points to 85% during the reporting period. Although this figure is slightly below the target value at programme review, it still indicates a high level of satisfaction at the local level. Independently collected qualitative data from four districts, gathered through focus group discussions and visits to four other districts, also confirm the high level of satisfaction with public services at the local level.

Indicator 4: As the funds provided for LODA are earmarked and may only be used for selected infrastructure measures, the districts need additional flexible, non-earmarked funds to finance personnel and maintenance costs. Although increased economic activity has led to higher own revenues in some districts, the targets for own revenues and government transfers have not been met overall. Most districts therefore do not have sufficient sources of own revenue and are dependent on block grants from the Ministry of Finance, which can be used flexibly. The earmarking of LODA funds restricts the districts' ability to act, as these funds may not be reallocated once priorities have been set. This leads to problems when, for example, projects are delayed and the funds earmarked for them cannot be used for other urgent purposes and expire at the end of the financial year. This lack of flexibility thus complicates the financial management of district administrations, most of which have limited resources.

Indicator 5 is based on a composite indicator[17] on local government accountability, which was only partially achieved.

Overarching impact was observed in all the local infrastructure projects visited. Secondary roads have boosted economic activity and thus also increased tax revenues. Electrification has also created new employment opportunities in the local area, thereby improving living conditions for beneficiaries and indirectly increasing revenues for the districts, setting in motion a positive cycle. Improvements in agricultural processing, e.g. through drying facilities, have led to a reduction in waste and better prices for farmers, as improved storage now allows them to wait for higher prices.

Fundamentally, local administrations are crucial for the implementation of sector strategies and programmes that contribute to economic growth. In Rwanda, financial transfers and local revenue sources have been expanded, with local government own-source revenue increasing from RWF 60.6 billion in 2018/19 to RWF 86.5 billion in 2022/23.

FGD participants reported significant improvements in service quality in newly built health centres (e.g. in Nyagatare and Kayonza). Shorter waiting times, clean premises and lighting were cited as the main benefits. In schools, lower pupil-teacher ratios were expected as a result of new buildings, but this was not achieved because teaching staff numbers were not increased proportionally. In conjunction with rehabilitated roads, improved accessibility and lower transport costs led to increased use of health and education services. At the same time, local dust and noise problems arose. Overall, the quality of use increased, but remained dependent on downstream operational factors (staff, equipment).

According to the evaluation of the FGD results, the measure contributed to noticeable improvements in living conditions in all districts studied. In Nyagatare and Kayonza, newly built health centres and roads significantly reduced travel times. Women reported that they were able to use health services more frequently because transport costs and time expenditure had decreased. In Musanze, the expansion of rural connecting roads facilitated market access for agricultural products. The improvements focused on reducing time and physical burdens; income- or education-related effects remained limited.

In districts with combined infrastructure investments – particularly Kayonza and Nyagatare – the coordination and performance of district administrations improved. The operation of several facilities in close geographical proximity (roads, schools, health centres) led to efficiency gains. In Gicumbi and Musanze, on the other hand, weaknesses in the operation of newly built facilities became apparent due to a lack of funding.

Overall, local service delivery was strengthened, but its sustainability remains dependent on human resources. The measure increased the perceived quality of service but was unable to achieve consistent equivalence of services between districts.

The government is continuing the process of digitising services, with over 100 e-government services already available on the Irembo digital platform. Irembo is an e-government platform that facilitates access to and delivery of government services in Rwanda. However, the process has been somewhat exclusive so far, partly due to the lack of infrastructure in rural areas. There, digital services are often only accessible through agents, making it difficult for disadvantaged groups such as women and people with disabilities to access them. In addition, coverage by Irembo agents is patchy, especially in rural areas. Agents are often only present at the level of the sectors (administrative units between the district and village levels), which sometimes means very long walks for the poorer population. Poorer and remote areas pose a challenge for Irembo because, on the one hand, there are fewer shops to which an agent could be connected and, on the other hand, offering services via agents is often not economically viable

[17] A composite indicator combines several individual indicators or metrics into a single value.

for the company. Nevertheless, Irembo is making efforts to fill the gaps in coverage. Various government programmes to subsidise smartphones, together with Irembo's "Do it yourself" campaign to promote digital skills, are contributing to better access to digital services.[18]

At the beneficiary level, improved infrastructure has led to measurable changes in usage behaviour. Women and children in particular have benefited from shorter distances, greater safety and increased availability of public services. In Musanze, traders reported increased sales volumes thanks to better road connections. Satisfaction among the population increased where the infrastructure was functional and services were reliable. In Kayonza, citizens expressed high satisfaction with healthcare, while in Gicumbi there was criticism of inadequate equipment and staff shortages[19] .

14. Contribution to overarching intended developmental changes

The programme has also contributed to accountability at district level. Some districts, for example, are taking over road maintenance with allocated funds and a system involving youth cooperatives and community work. The maintenance of health centres shows that the primary responsibility has been shifted to the district level. For some infrastructure, however, responsibilities at the village level are unclear or undefined.

As reported by beneficiaries of a water project in Nyamiyaga in the Gicumbi district, the surrounding communities previously relied on contaminated spring water, which led to widespread disease due to unhygienic collection practices. The lack of sanitation facilities, clean water and adequate hygiene led to a high prevalence of disease in this catchment area. The distance to the source and the high cost of water (20 litres for 300 RWF) led to suboptimal hygiene, resulting in frequent illness and school absences. Water is supplied by the water utility company WASC, which cleans the water weekly, eliminating waterborne diseases. Access to clean water reduced the cost of a 20-litre canister to 20 RWF. Improved access to clean water has given community residents more time, enabling their children to attend school on time and promoting hygiene and a positive shift towards a cleaner and healthier lifestyle. This has freed up time and resources for residents to engage in economic activities.

The measure contributed to the overall improvement of municipal infrastructure and strengthened local administrative capacities. However, structural governance deficits remained, particularly in terms of maintenance and budgetary discipline. Overall, the measure can be seen as a factor supporting local development dynamics, but not as a catalyst for structural change.

The impact on the target groups is positive but unevenly distributed. Districts with functioning management structures achieved more sustainable results than those with limited administrative capacities. Overall, the measure made a noticeable contribution to improving the quality of services in districts and thus to improving the living conditions of the target groups, especially in well-organised districts.

Vulnerable population groups benefited particularly from improved physical accessibility, which was achieved through the measures financed. In Kayonza, older people made significantly more use of health services. In Nyagatare, improved roads enabled women in particular to access markets more safely. Barriers remain where infrastructure measures have not been combined with social awareness-raising or financial relief.

Significant progress has been made in achieving gender parity in local government decision-making processes. However, there are still gaps in key leadership areas: women hold only 30% of mayoral posts and 46% of seats on district councils[20] . It is apparent that gaps in leadership positions remain. However, the programme did not focus on gender, which is why this progress can be attributed solely to the efforts of the Rwandan government.

According to those involved, comparable measures would have been implemented much later or to a lesser extent without external funding. The development policy additionality can therefore be considered high.

15. Contribution to overarching unintended developmental changes

The programme is not known to have caused any overarching unintended) negative developmental changes in social, economic or environmental development.

Positive side effects resulted from local economic activity along new roads and increased social interaction at public facilities. Small retailers and transport services in particular benefited from the improved infrastructure.

Rating summary of impact: successful (2)

The programme contributed significantly to improving municipal infrastructure and supported the expansion of local administrative capacities. However, fundamental challenges in governance, particularly in the areas of maintenance and budget management, remained. Overall, the programme promoted local development but did not bring about any profound structural changes.

[18] 85% of households own a mobile phone and 34% own a smartphone. EICV7 2024, National Institute of Statistics Rwanda
[19] FGD results
[20] Governance and Decentralisation Sector-Strategic Plan 2024-2029, p. 5

The positive effects on the target groups were particularly evident where functioning management structures were already in place, creating an amplifier effect. In districts with weaker administration, the results were less sustainable.

In summary, it can be said that the project improved the living conditions of the target groups, with the impact being particularly evident in well-organised districts. In terms of overarching developmental impacts, the FC programme phases evaluated here can therefore be considered successful.

Sustainability

16. Capacities of beneficiaries and stakeholders

Compared to other African countries, Rwandan culture exhibits a higher level of sustainability. Community work (Umuganda) was introduced at an early stage of Rwanda's decentralisation strategy (2005–2010) to maintain municipal infrastructure at district level: since then, shops are closed on the last Saturday morning of every month so that neighbours can work together to maintain the infrastructure in their immediate surroundings. This has been shown to promote personal responsibility and strengthen cohesion at the local level. For example, neighbourhood groups regularly clear rubbish from street drainage channels so that water can flow freely. This prevents flooding and subsequent damage to roads.

Larger maintenance measures, such as the renewal of unpaved roads and the repair of roadside ditches and drains, are carried out by specialist companies. Due to the limited financial and human resources of the district administrations, periodic maintenance measures (every 3-5 years) were often carried out inadequately, and the budgets earmarked for this purpose were frequently reprioritised for other urgent matters.

The ownership of the districts and municipalities varies: in Kayonza and Nyagatare, local committees took on cleaning and maintenance tasks, while in Gicumbi, responsibilities remained unclear. In many cases, financial responsibility for operation and maintenance was not sufficiently integrated into the district budgets. Local ownership is therefore present in some areas but is institutionally anchored and not uniform.

Roads and water infrastructure are particularly vulnerable to weather conditions. In Musanze, heavy rainfall caused initial erosion damage. There are no preventive maintainance mechanisms such as maintenance funds or technical monitoring mechanisms. The measure's resilience to external risks is low.

17. Contribution to supporting sustainable capacities

The infrastructure observed during site visits and which was appraised by a local consultant had been in operation for 2-4 years. Due to occasional overlaps in responsibilities between the relevant ministries (health, education, water, transport, agriculture) and the districts, we identified some unclear responsibilities for operation and maintenance during our site visits. Even though maintenance is rarely carried out in accordance with the operating and maintenance manuals, the site visits showed that in most cases at least routine maintenance is carried out.

In some districts, the involvement of local user committees led to increased responsibility and thus more regular maintenance routines. In other cases, participation remained symbolic because no resources were available for implementation. The measure generally strengthened ownership where there was financial and organisational scope for action.

18. Durability of impacts over time

In 2015, Rwanda published its Vision 2050, which also set out plans to reform the administration towards greater decentralisation, service provision and accountability. The Rwandan government has consistently pursued this vision ever since. In combination with relatively stable power relations, no significant changes in power or policy are to be expected in the medium term, which means that the programme's effects can be sustained in the longer term.

Good donor coordination also ensures a stable context for impact. Donor coordination takes place in SWGs led by the Rwandan government, but also in bilateral coordination rounds between donors. This means that individual shifts in priorities among donors can be effectively absorbed.

At the same time, Rwanda remains heavily dependent on foreign development funds, which poses a risk to the sustainability of impacts. In 2022, Rwanda received development aid amounting to 8.3% of its GDP, placing it among the top 30 countries worldwide[21]. With development aid accounting for 74.2%[22] of the national government budget, Rwanda also ranks ninth among the countries whose government budgets are most dependent on development aid. This poses a major risk to the sustainability of impacts and the stability of the context. Developments in donor countries (such as Donald Trump's suspension of all US

[21] https://data.worldbank.org/indicator/DT.ODA.ODAT.GN.ZS?locations=RW&most_recent_value_desc=true
[22] https://data.worldbank.org/indicator/DT.ODA.ODAT.XP.ZS?locations=RW&most_recent_value_desc=true

development aid) but also in Rwanda (such as Rwanda being accused of supporting the M23 militia) could have a negative impact on the Rwandan government budget. The flare-up of the conflict in eastern Congo has led to the suspension of government consultations between Germany and Rwanda. As a result, service provision at the decentralised level may also become severely restricted.

The infrastructure projects visited as part of the evaluation were mostly in good condition, considering their operating life. The estimated technical life of the infrastructure ranges from seven (unpaved roads) to 25 years (administrative buildings).

Despite the tight maintenance budgets, it is likely that the positive effects will continue beyond the technical service life of the infrastructure if the established procedure is effective, whereby the infrastructure operators report major defects that exceed their financial capabilities to the district, which then carries out the necessary maintenance measures according to their urgency. In addition, subsidiary support from the respective sector ministries can be expected.

No local infrastructure projects specifically addressing gender impact potential were implemented in the three phases. With regard to the local projects that were fundamentally suitable for developing gender impact potential (e.g. secondary schools, health stations, street lighting, water supply, markets, etc.), it was not possible to collect data disaggregated by gender. Therefore, it is not possible to differentiate between the gender impacts and the general impacts of the local projects.

Rating summary of sustainability: moderately successful (3)

The district administrations generally have the capacity to operate the infrastructure that has been built, and unlike in other countries, there is no lack of ownership for its maintenance in Rwanda. This is particularly evident in the community work (Umugunda) that is carried out on a mandatory monthly basis.

However, the long-term maintenance of the infrastructure poses a problem, as the budgets of the districts responsible for this are very tight and depend on allocations from the Rwandan government – which means that necessary maintenance measures are implemented with a delay depending on their urgency. This applies in particular to preventive maintenance measures, less so to routine maintenance. The limited financial resources available to the districts is a risk that could jeopardise the long-term sustainability of the programme's objectives. The sustainability of the programme is therefore appraised as having limited success.

Overall assessment: successful (2)

As all three phases of the FC programme evaluated are identical in design and their effects cannot be distinguished from one another, this overall rating refers to all three phases. Overall, the FC measure was relevant as it correctly addressed key development issues in Rwanda and was designed to meet needs. Integration into national systems and a clear distribution of tasks ensured a high degree of coherence. The measure's effectiveness was demonstrated by the beneficiaries' good use and appreciation of the infrastructure. The programme was efficient thanks to the quality of the construction work and its timely implementation. The measure made a noticeable contribution to improving the living conditions of the target groups, especially in well-organised districts. Sustainability is fundamentally assured by local commitment but is reduced in the long term by the districts' limited financial resources. Overall, we appraise the FC programme as successful.

Contribution to Agenda 2030

Universal applicability, shared responsibility and accountability

The FC programme contributes in particular to SDG 1 (no poverty), SDG 8 (decent work and economic growth) and SDG 16 (peace, justice and strong institutions). The improvement of living conditions and the strengthening of institutions are anchored at the impact and outcome levels. In implementing the infrastructure measures, particular focus was placed on small projects that promote local economic development and thus support SDG 8. The FC programme also contributes to SDG 3 (good health and well-being), SDG 4 (quality education) and SDG 6 (clean water and sanitation). The allocation mechanism chosen for distributing funds at district level also addresses SDG 10 (reduced inequalities).

The programme makes extensive use of existing systems and structures (e.g. allocation formula, tenders, integration into the budget process) and was implemented in cooperation with other donors (co-financing, joint monitoring; see coherence criterion).

Interplay between economic, environmental and social development

The three FC phases evaluated pursue a holistic approach to sustainability, with a focus on the social and economic dimensions. No interactions between the social, economic and environmental dimensions were identified. No unintended positive or negative effects could be attributed to the FC programme (see impact criterion).

Inclusiveness/leaving no one behind

The FC programme complies with international norms and standards on the participation of disadvantaged groups. A key starting point is the prioritisation of infrastructure measures within the framework of district development plans, which are open to all citizens in accordance with national guidelines. An existing feedback mechanism informs the population about which local infrastructure projects are included in the budget and implemented. The budget approval process also requires the approval of the local council with the participation of citizens (see coherence criterion).

As described under effectiveness and impact, the programme has had immediate positive effects at the outcome and impact levels for the target groups. There is no evidence to suggest that these effects have not reached disadvantaged groups, but no disaggregated data is available on this. The FC projects have created some additional income opportunities for vulnerable target groups, which can contribute to strengthening their resilience in principle – however, this is limited to a few local infrastructure projects. Beyond that, the FC projects have not contributed to strengthening the resilience of particularly disadvantaged groups.

Methodology

Evaluation methodology

The ex-post evaluation follows the methodology of a rapid appraisal, i.e. a data-based, qualitative contribution analysis, and represents an expert opinion. The project is attributed effects based on plausibility considerations, which are based on a careful analysis of documents, data, facts and impressions. Where possible, this also includes the use of digital data sources and modern techniques (e.g. satellite data, online surveys, geocoding). The causes of any contradictory information are investigated, attempts are made to resolve them, and the assessment is based on statements that are confirmed by several sources of information (triangulation), where possible.

The analysis of the effects is based on assumed causal relationships, documented in the impact matrix developed during the project appraisal and updated during the ex-post evaluation, if necessary. The evaluation report sets out arguments as to why certain influencing factors were identified for the effects observed and why the project under review probably made a certain contribution (contribution analysis). The context of the development measure is taken into account in terms of its influence on the results. The conclusions are put into relation to the availability and quality of the data basis. An evaluation concept serves as the reference framework for the evaluation.

The method offers a balanced cost-benefit ratio for project evaluations, on average, with a balance between knowledge gain and evaluation effort, and allows for a systematic assessment of the effectiveness of DFG projects across all project evaluations. Individual ex-post evaluations cannot therefore meet the requirements of a scientific assessment in the sense of a clear causal analysis.

The main objective of the evaluations (knowledge interest) is to measure impacts, provide accountability, promote transparency and enable institutional learning.

Type of evaluation:

Trip to the project area.

Key questions of the evaluation according to the evaluation concept:

- How were the local infrastructure projects distributed in line with the needs of the population?
- Given that the districts' own contributions to the costs of the local infrastructure projects varied greatly, from 3 to 97 per cent, how was it possible to ensure a fair distribution?
- How high were the contributions from the districts themselves compared to donor and KfW financing?
- How does citizen participation work in the implementation of district development plans in local infrastructure projects?
- How was the use of own funds regulated at district level and in local infrastructure projects?

Non-public (internal) documents

Internal project documents, secondary specialist literature, strategy papers, context, country and sector analyses, impact evaluations, comparable evaluations, systematic reviews, media reports.

Directory of public sources

Ministry of Local Government, Rwanda (2017*) Governance and Decentralisation Sector Strategic Plan (2018/19-2023/24).*

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Data sources and analysis tools

Data sources: Internal project documents, secondary specialist literature, strategy papers, comparable evaluations, systematic reviews, media reports, National Institute of Statistics, Rwanda database.

Eleven focus group discussions were conducted in four districts (Kayonza, Kamonyi, Nyanza, Gisagara) with a stratified random sample of infrastructure projects. The audio recordings were transcribed and translated from Kinyarwanda into English. The participants' statements were coded manually and with the aid of software based on their content. The coded statements were analysed thematically to generate qualitative results. The results were then integrated into the EPE report.

Project sites visited

The following districts were visited: Gicumbi, Nyagatare, Burera, Gatsibo, Kayonza, Kamonyi, Nyanza, Gisagara. The locations were selected based on their size and logistics. The random sample of locations visited comprised 24 of 170 local infrastructure projects, approx. 14% in 8 of 30 districts.

Interview partners and modality (in person, virtual/by telephone, in writing)

Unstructured interviews with key individuals were conducted following the project visits in eight districts (Gicumbi, Nyagatare, Burera, Gatsibo, Kayonza, Kamonyi, Nyanza, Gisagara). Eleven focus group discussions were held in four districts (Kayonza, Kamonyi, Nyanza, Gisagara) with a stratified random sample of infrastructure projects.

The following aspects limited the evaluation

The large number of local infrastructure projects (170), the diverse types of infrastructure and the geographical distribution across the whole country limit the representativeness of the local infrastructure projects visited.

Assessment methodology

A six-point scale is used to assess the project according to OECD DAC criteria, with the exception of the sustainability criterion. The scale values are as follows:

Level 1 Very successful: results significantly above expectations

Level 2 Successful: results fully in line with expectations, without significant shortcomings

Level 3 Moderately successful: results below expectations, but positive results predominate

Level 4 Moderately unsuccessful: significantly below expectations and negative results dominate despite recognisable positive results

Level 5 Unsuccessful: despite some positive partial results, the negative results clearly dominate

Level 6 Highly unsuccessful: the project is useless or the situation has deteriorated

The overall rating on the six-point scale is based on a project-specific weighting of the six individual criteria. Levels 1–3 of the overall rating indicate a 'successful' project, while levels 4–6 indicate an 'unsuccessful' project. It should be noted that a project can generally only be classified as "successful" in terms of development policy if both the achievement of objectives at the outcome level (effectiveness) and impact level, as well as sustainability, are rated at least as "moderately successful " (level 3).

The annex to this report is available upon request (German only).

Imprint

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